

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT

Call to Order: Chair Brad Tschida, on January 13, 2017 at 10:00 A.M., in Room 350 Capitol

ROLL CALL

Members Present:

Rep. Brad Tschida, Chair (R)
Sen. Frederick (Eric) Moore, Vice Chair (R)
Rep. Dan Bartel (R)
Sen. Mike Lang (R)
Rep. Kelly McCarthy (D)

Members Excused: Sen. Mary McNally (D)

Members Absent: None

Staff Present: Olivia Effertz, Committee Secretary
Katie Guenther, Legislative Branch
Kris Wilkinson, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary: Executive Action -- Department of Administration, fixed costs for Legislative Audit Division, Inflation/Deflation

Committee Business:

00:00:32 Chair Tschida

00:00:39 Kris Wilkinson, Legislative Fiscal Division, (LFD)

[EXHIBIT\(jgh10a01\)](#)

00:02:08 Chair Tschida

00:02:20 Angus Maciver, Auditor, Department of Administration, (DOA)

00:05:27 Chair Tschida

00:05:31 Kris Wilkinson, LFD

[EXHIBIT\(jgh10a02\)](#)

[EXHIBIT\(jgh10a03\)](#)

00:07:07 Chair Tschida

00:07:11 Vice Chair Moore

00:07:21 Kris Wilkinson, LFD

00:07:51 Vice Chair Moore

00:07:58 Kris Wilkinson, LFD

00:08:32 Chair Tschida

00:11:02 Sen. Lang

00:11:12 Chair Tschida

EXECUTIVE ACTION

00:11:27 Kris Wilkinson, LFD

[EXHIBIT\(jgh10a04\)](#)

00:13:02 Chair Tschida

00:13:14 Kris Wilkinson, LFD

00:13:28 Chair Tschida

00:13:51 Kris Wilkinson, LFD

00:14:20 Chair Tschida

00:14:22 Vice Chair Moore

00:14:43 Kris Wilkinson, LFD

00:15:13 Vice Chair Moore

00:15:30 Rep. McCarthy

00:15:44 Kris Wilkinson, LFD

00:15:49 Chair Tschida

00:16:12 **Motion/Vote:** Vice Chair Moore moved **TO ACCEPT THE INFLATION/DEFLATION RATES FOR THE NEXT BIENNIUM**. Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

00:17:24 Kris Wilkinson, LFD

[EXHIBIT\(jgh10a05\)](#)

00:18:48 Chair Tschida

00:19:08 **Motion/Vote:** Vice Chair Moore moved **TO ACCEPT THE FIXED COSTS FOR THE LEGISLATIVE AUDIT DIVISION**. Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

00:20:09 **Motion/Vote:** Vice Chair Moore moved **TO ACCEPT FUNDING FOR THE AUDIT DIVISION AS RESTRICTED AND BIENNIAL IN HOUSE BILL 2**. Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

00:21:00 Kris Wilkinson, LFD

00:23:42 Chair Tschida

00:23:48 Soina Powell, Office of Budget and Program Planning, (OBPP)

00:24:17 Chair Tschida

00:24:21 Vice Chair Moore

00:24:31 Kris Wilkinson, LFD

00:25:39 Chair Tschida

00:26:45 Vice Chair Moore

00:26:50 Chair Tschida

00:27:10 Kris Wilkinson, LFD

00:28:16 Vice Chair Moore

00:28:30 Kris Wilkinson, LFD

00:28:48 Rep. McCarthy

00:29:10 Kris Wilkinson, LFD

00:29:33 Rep. McCarthy

00:30:10 Kris Wilkinson, LFD

00:30:19 Chair Tschida

00:30:58 Sen. Lang

00:31:12 Kris Wilkinson, LFD

00:34:08 Chair Tschida

00:35:00 Kris Wilkinson, LFD

00:35:18 Chair Tschida

00:35:27 **Motion:** Vice Chair Moore moved **TO ESTABLISH A RATE FOR HUMAN RESOURCES AT 891 DOLLARS PER FTE IN FISCAL YEAR 2018 AND 2019 AND TO ESTABLISH A SEPARATE RATE FOR THE REMAINDER OF THE CHARGES INCLUDED IN MANAGEMENT SERVICES**

Discussion:

00:35:46 Rep. McCarthy

00:36:03 Kris Wilkinson, LFD

00:36:31 Chair Tschida

00:37:06 **Vote:** Motion carried 4-2 with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

00:37:31 Kris Wilkinson, LFD

00:38:14 Vice Chair Moore

00:38:18 **Motion/Vote:** Vice Chair Moore moved **TO IMPOSE A 6% VACANCY SAVINGS ON MANAGEMENT SERVICES**. Motion carried 4-2 with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

00:38:59 Kris Wilkinson, LFD

00:39:23 Chair Tschida

00:39:29 **Motion/Vote:** Vice Chair Moore moved **TO IMPOSE A 6% VACANCY SAVINGS ON THE CONTINUITY EMERGENCY PREPAREDNESS AND SECURITY PROGRAM.** Motion carried 4-2 with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

00:40:01 Kris Wilkinson, LFD

00:40:42 **Motion/Vote:** Vice Chair Moore moved that **THE RATES AS PROPOSED BY THE EXECUTIVE FOR SABERS BE ADOPTED.** Motion carried unanimously. Sen. McNally voted by proxy.

00:41:25 Kris Wilkinson, LFD

00:41:51 Vice Chair Moore

00:42:02 Kris Wilkinson, LFD

00:42:09 Rep. McCarthy

00:42:35 Kris Wilkinson, LFD

00:43:44 Chair Tschida

00:44:02 **Motion:** Vice Chair Moore moved **TO PUT THE 6% VACANCY SAVINGS ON THE WARRANT WRITER.**

Discussion:

00:44:19 Rep. McCarthy

00:44:32 **Vote:** Motion carried 4-2 with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

00:45:04 Chair Tschida

00:45:08 **Motion:** Vice Chair Moore moved to **REDUCE THE RATE FOR WARRANT WRITER BY 85 THOUSAND EACH YEAR OF THE BIENNIUM TO ADDRESS THE FUND BALANCE AS PER RECOMMENDATION.**

Discussion:

00:45:16 Sen Lang

00:45:26 Kris Wilkinson, LFD

00:46:07 Chair Tschida

00:46:14 **Vote:** Motion carried 4-2 with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

00:46:42 Kris Wilkinson, LFD

00:47:13 Chair Tschida

00:47:21 **Motion/Vote:** Sen. Moore moved that **THE SCWEAP FIXED COST RATE BE ACCEPTED AS PROPOSED BY THE EXECUTIVE.** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

00:47:59 Chair Tschida

00:48:30 Kris Wilkinson, LFD

00:48:52 Chair Tschida

00:49:41 Kris Wilkinson, LFD

00:50:44 Chair Tschida

00:50:50 **Motion:** Vice Chair Moore moved **TO ACCEPT THE REVISED RENTAL RATES TO INCLUDE VACANCY SAVINGS REDUCTIONS AS RECORDED IBARS.**

Discussion:

00:51:01 Sen. Lang
00:51:10 Kris Wilkinson, LFD
00:51:19 Sen. Lang
00:51:33 Kris Wilkinson, LFD
00:51:58 Sen. Lang
00:52:09 Sonia Powell, OBPP
00:53:20 Vice Chair Moore
00:53:53 Sonia Powell, OBPP
00:54:33 Rep. McCarthy
00:55:21 Sonia Powell, OBPP
00:56:31 Chair Tschida
00:57:32 Sonia Powell, OBPP
00:58:11 Chair Tschida
00:58:14 Sen. Lang
00:58:29 Sonia Powell, OBPP
00:58:56 Kris Wilkinson, LFD
00:59:30 Chair Tschida
00:59:35 Kris Wilkinson, LFD
00:59:56 Chair Tschida
01:00:05 Rep. McCarthy
01:00:34 Kris Wilkinson, LFD
01:00:40 Vice Chair Moore

01:00:50 **Vote:** Motion carried 4-2 by roll call vote with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

01:01:20 Kris Wilkinson, LFD

[**EXHIBIT\(jgh10a06\)**](#)

01:03:09 Chair Tschida
01:03:25 Kris Wilkinson, LFD
01:03:52 Chair Tschida

01:04:16 **Motion/Vote:** Sen. Moore moved **TO ACCEPT THE PRINT AND MAIL COST SERVICES AS PROPOSED.** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:04:50 Kris Wilkinson, LFD
01:08:39 Chair Tschida
01:08:58 Rep. McCarthy

01:09:29 **Motion:** Rep. McCarthy moved **ACCEPT THE RATES STATE INFORMATION TECHNOLOGY SERVICES DIVISION TO INCLUDE THE BOILER PLATE LANGUAGE OF HOUSE BILL 2 THAT RESTRICTS THE FUNDING TO SITSD FOR ALL AGENCIES.**

Discussion:

01:09:54 Chair Tschida
01:10:02 Kris Wilkinson, LFD
01:10:19 Vice Chair Moore

01:10:32 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:10:55 Chair Tschida
01:11:00 Kris Wilkinson, LFD
01:11:07 Vice Chair Moore
01:11:22 Kris Wilkinson, LFD
01:11:40 Vice Chair Moore
01:11:53 Kris Wilkinson, LFD

01:11:58 **Motion:** Vice Chair Moore moved **TO ACCEPT THE 6% VACANCY SAVINGS AS INDICATED BY 1.059 & 1.062**

Discussion:

01:12:15 Rep. McCarthy
01:12:34 Kris Wilkinson, LFD

01:12:42 **Vote:** Motion carried 4-2 by roll call vote with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

01:13:11 Chair Tschida
01:13:15 Kris Wilkinson, LFD
01:13:24 Chair Tschida
01:13:27 Kris Wilkinson, LFD
01:13:44 Chair Tschida

01:13:55 **Motion:** Vice Chair Moore moved **TO REDUCE FUNDING FOR PERSONAL SERVICES FOR THE 8 FT THAT WERE VACANT FOR ALL OF 16 DUE TO THE RAF**

Discussion:

01:14:05 Rep. McCarthy
01:14:18 Sonia Powell, OBPP
01:15:02 Vice Chair Moore
01:15:18 Sonia Powell, OBPP
01:15:31 Vice Chair Moore
01:15:44 Kris Wilkinson, LFD
01:15:57 Rep. McCarthy
01:16:22 Kris Wilkinson, LFD
01:16:53 Rep. McCarthy
01:17:38 Kris Wilkinson, LFD

01:18:22 Rep. McCarthy
01:19:23 Vice Chair Moore

01:19:54 **Vote:** Motion carried 4-2 by roll call vote with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

01:20:19 Kris Wilkinson, LFD
01:20:41 Chair Tschida

01:20:47 **Motion:** Vice Chair Moore moved **TO APPROVE THE RATES PROPOSED BY THE EXECUTIVE FOR WORKERS COMPENSATION MANAGEMENT PROGRAM**

Discussion:

01:20:55 Chair Tschida
01:21:12 Rep. Bartel
01:21:18 Kris Wilkinson, LFD
01:22:39 Sen. Lang
01:22:47 Kris Wilkinson, LFD
01:23:28 Chair Tschida

01:23:47 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:24:08 Kris Wilkinson, LFD
01:25:08 Chair Tschida

01:25:15 **Motion:** Vice Chair Moore moved **TO ACCEPT THE STATE HUMAN RESOURCES DIVISION PROFESSIONAL DEVELOPMENT CENTER COSTS AS PROPOSED BY THE EXECUTIVE**

Discussion:

01:25:26 Sen. Lang
01:25:39 Chair Tschida
01:25:47 Kris Wilkinson, LFD

01:25:58 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:26:22 Kris Wilkinson, LFD
01:26:52 Chair Tschida

01:27:09 **Motion:** Vice Chair Moore moved **TO ACCEPT THE HUMAN RESOURCES INFORMATION SYSTEM BUREAU FEES AS PROPOSED**

01:27:13 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:27:35 Kris Wilkinson, LFD
01:28:16 Chair Tschida

01:28:23 **Motion:** Vice Chair Moore moved **TO ACCEPT THE RISK MANAGEMENT AND TORT DEFENSE COSTS AS STATED**

01:28:51 **Without objection, Sen. Moore withdrew his previous motion.**

01:29:04 **Motion:** Vice Chair Moore moved **TO ACCEPT RISK MANAGEMENT AND TORT DEFENSE COSTS AS STATED TO INCLUDE UPDATING IBAR REGARDING THE SETTLEMENT OF THE LIBBY ASBESTOS TO BE SHOWN IN FISCAL YEAR 2017**

Discussion:

01:29:09 Rep. McCarthy

01:29:22 Kris Wilkinson, LFD

01:30:00 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

EXHIBIT(jgh10a07)

01:30:48 Kris Wilkinson, LFD

01:33:49 Chair Tschida

01:34:26 Kris Wilkinson, LFD

01:34:40 **Motion:** Vice Chair Moore moved that **DP 1,2,3 & 4 WHERE APPLICABLE FOR ALL PROGRAMS WITHIN THE AGENCY ADJUSTED FOR THE DECISIONS RELATED TO FIXED COSTS BE ADOPTED**

01:34:42 Sonia Powell, OBPP

Discussion:

01:35:21 Rep. McCarthy

01:35:31 Kris Wilkinson, LFD

01:36:16 Rep. McCarthy

01:36:32 Kris Wilkinson, LFD

01:36:39 Rep. McCarthy

01:36:47 Sonia Powell, OBPP

01:36:54 Chair Tschida

01:37:09 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:37:35 Kris Wilkinson, LFD

01:38:17 Chair Tschida

01:38:19 **Motion:** Vice Chair Moore moved that **DP301 UNDER THE STATE FINANCIAL SERVICES DIVISION BE ADOPTED**

Discussion:

01:38:26 Sonia Powell, OBPP

01:38:58 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:39:19 Kris Wilkinson, LFD

01:39:38 Chair Tschida

01:40:05 Vice Chair Moore

01:40:20 Sonia Powell, OBPP
01:41:05 Rep. McCarthy
01:41:12 Kris Wilkinson, LFD
01:41:36 Rep. McCarthy
01:41:50 Kris Wilkinson, LFD
01:42:37 Rep. McCarthy
01:42:56 Kris Wilkinson, LFD
01:43:04 Chair Tschida
01:43:24 Rep. McCarthy

01:43:48 Kris Wilkinson, LFD
01:45:27 Chair Tschida

01:46:07 **Motion:** Vice Chair Moore moved that **DP 706 BIENNIAL AMOUNT AND THAT THEY MAKE A RECOMMENDATION TO HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS CONCERNING THE RESTRICTION OF ANY TRANSFER OF 10 MILLION DOLLARS OUT OF THE 911 WIRELESS ACCOUNT TO THE GENERAL FUND.**

Discussion:

01:46:23 Kris Wilkinson, LFD
01:46:59 Vice Chair Moore
01:47:04 Chair Tschida
01:47:19 Kris Wilkinson, LFD
01:47:51 Rep. McCarthy

01:47:58 **Substitute Motion:** Rep. McCarthy made a substitute motion that **DP 706 TRANSFER SEPARATELY**

Discussion:

01:48:11 Chair Tschida

01:48:16 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:48:42 Kris Wilkinson, LFD
01:48:50 Chair Tschida
01:48:55 Kris Wilkinson, LFD

01:49:07 **Motion/Vote:** Vice Chair Moore moved that **DP 401 BE ADOPTED.** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:49:38 Chair Tschida
01:49:51 Kris Wilkinson, LFD
01:50:11 Chair Tschida

01:50:16 **Motion:** Rep. McCarthy moved that **DEBT ELIMINATION SERVICE BE ADOPTED**

Discussion:

01:50:25 Vice Chair Moore

01:50:29 Rep. McCarthy

01:50:47 **Vote:** Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:51:14 Kris Wilkinson, LFD

01:51:57 Vice Chair Moore

01:52:10 **Motion:** Vice Chair Moore to **REDUCE BASE BUDGET OF THE MONTANA LOTTERY BY 5%**

Discussion:

01:52:18 Rep. McCarthy

01:54:02 Sen. Moore

01:54:50 Sen. Lang

01:55:28 Kris Wilkinson, LFD

01:55:58 Sen. Lang

01:56:03 Kris Wilkinson, LFD

01:56:19 **Vote:** Motion carried 4-2 by roll call vote with Rep. McCarthy and Sen. McNally voting no. Sen. McNally voted by proxy.

01:56:44 Kris Wilkinson, LFD

01:58:42 Chair Tschida

01:58:48 Vice Chair Moore

01:58:54 **Motion/Vote:** Sen. Moore moved that **DP 5 AND DP 3702 UNDER MONTANA TAX APPEAL BOARD BE ADOPTED**. Motion carried unanimously by roll call vote. Sen. McNally voted by proxy.

01:59:34 Kris Wilkinson, LFD

02:00:42 Rep. McCarthy

02:01:23 Kris Wilkinson, LFD

02:02:25 Chair Tschida

ADJOURNMENT

Adjournment: 02:02:35

Olivia Effertz, Secretary

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Additional Documents:

EXHIBIT([jgh10aad.pdf](#))